

## Message Text

LIMITED OFFICIAL USE

PAGE 01     ADDIS 09854 261103Z

11

ACTION OPIC-06

INFO OCT-01 AF-08 ISO-00 SCS-03 SCA-01 L-03 EB-07 COME-00

TRSE-00 OMB-01 INR-07 /037 W  
----- 000290

R 260948Z AUG 76

FM AMEMBASSY ADDIS ABABA

TO SECSTATE WASHDC 689

LIMITED OFFICIAL USE ADDIS ABAB 9854

E.O. 11652: N/A

TAGS: EINB, ET

SUBJ: EXPROPRIATED U.S. PROPERTY IN ETHIOPIA

REF: (A) STATE 204537, (B) ADDIS 7652, (C) ADDIS 7762

1. EMBASSY IS IN FULL AGREEMENT WITH POLICY OF KEEPING PRESSURE ON EPMG REGARDING COMPENSATION FOR NATIONALIZED U.S. COMPANIES, AND HAS CONTINUALLY MADE USG VIEW KNOWN TO WIDE RANGE OF EPMG OFFICIALS THROUGHOUT LAST 18 MONTHS. EMBASSY BELIEVES THAT DIPLOMATIC NOTE SUGGESTED REF (A) WILL BE BENEFICIAL IN OUR EFFORTS TO KEEP ETHIOPIAN OFFICIALS AWARE OF OUR CONCERNS. WE SUGGEST, HOWEVER, CERTAIN CHANGES IN THE TEXT AS FOLLOWS: (A) DELETE "MANAGERIAL CONTROL" FROM LINE 6, PARA 1, SINCE WE ARE NOT AWARE THAT MANAGERIAL CONTROL, APART FROM THE ISSUE OF MAJORITY OR MINORITY OWNERSHIP, IS AN ISSUE OF GREAT CONCERN TO THE AFFECTED U.S. FIRMS. (B) WE PROPOSE THAT TONE OF PARA 2 BE ALTERED SLIGHTLY WITHOUT CHANGING SUBSTANCE. WE SUGGEST: "THE UNITED STATES GOVERNMENT REGARDS THE WORK OF THE COMPENSATION COMMISSION ESTABLISHED BY THE ETHIOPIAN GOVERNMENT AS A MATTER OF GREAT IMPORTANCE AND URGENCY. HOWEVER, THE UNITED STATES GOVERNMENT IS CONCERNED THAT ALTHOUGH IT HAS BEEN NEARLY EIGHT MONTHS SINCE THE COMMISSION WAS ESTABLISHED, THE COMMISSION HAS YET TO BEGIN NEGOTIATIONS WITH THE FORMER OWNERS OF THE NATIONALIZED FIRMS. THE UNITED STATES GOVERNMENT FURTHER BELIEVES THAT IT IS IN THE BEST INTERESTS OF BILATERAL ETHIOPIA-AMERICAN RELATIONS FOR THE COMMISSION TO BEGIN STUDY OF PARTICULAR CASES AND

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02     ADDIS 09854 261103Z

NEGOTIATIONS WITH THE ENTERPRISES CONCERNED AS SOON AS POSSIBLE.

AN IMPORTANT FIRST STEP TOWARD NEGOTIATIONS WOULD BE ACCEPTANCE BY THE COMMISSION OF COMPANY CLAIMS SUBMITTED. TO ASSIST UNITED STATES FIRMS IN THESE MATTERS, THE UNITED STATES GOVERNMENT WISHES TO BE ADVISED OF PROCEDURES ESTABLISHED BY THE COMMISSION FOR THE RECEIPT OF CLAIMS AND FOR THE SUBSEQUENT NEGOTIATION OF COMPENSATION AND OTHER MATTERS AS SOON AS THEY ARE AVAILABLE."

(C) WE SUGGEST ELIMINATION OF PARA 3, WHICH SEEMS TO US TO BE REDUNDANT. WE ALSO THINK THIRD SENTENCE IS OPEN TO MISINTERPRETATION IN THAT IT SEEMS TO BE SUGGESTING THAT WE ADVOCATE EPMG ACTION TO ENABLE FIRMS TO REGAIN CONTROL OF THEIR INVESTMENT, OR IN OTHER WORDS WE ARE ADVOCATING REVERSAL OF THE NATIONALIZATION PROCESS AS IT APPLIES TO AMERICAN FIRMS.

3. EMBASSY REQUESTS CONFIRMATION AND FURTHER EXPLANATION OF INSTRUCTIONS CONTAINED PARA 3 REFTEL (A). THE LOCAL REPRESENTATIVES OF AFFECTED AMERICAN COMPANIES HAVE NOT REQUESTED ANY EMBASSY ASSISTANCE REGARDING THE SPECIFIC STEPS OR PARTICULAR PROBLEMS THEY ARE ENCOUNTERING. WE ARE PUZZLED AS TO WHAT SPECIFIC STEPS WE WOULD SUGGEST TO EPMG REGARDING INDIVIDUAL CASES. FROM OUR PERSPECTIVE IT APPEARS WE SHOULD CONCENTRATE OUR EFFORTS FOR PRESENT ON ENCOURAGING DIRECT NEGOTIATIONS BETWEEN EPMG AND AFFECTED COMPANIES AND LEAVE SPECIFIC ISSUES TO BE RESOLVED BETWEEN PARTIES INVOLVED. HOWEVER, IF DEPT HAS IN MIND SPECIFIC SUGGESTIONS EMANATING FROM THE COMPANIES AND CONVEYED TO DEPT OFFICIALS, WE WOULD BE GLAD TO DO WHAT WE CAN, KEEPING IN MIND THAT EPMG IS NOT YET CONSIDERING CLAIMS, LET ALONE DETAILS OF SETTLEMENT.

TIENKEN

NOTE BY OC/T: REFERENCE (A) NOT IDENTIFIED.

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, NATIONALIZATION, COMPENSATION, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 26 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** coburnhl  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976ADDIS09854  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760325-1320  
**From:** ADDIS ABABA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760819/aaaaapmc.tel  
**Line Count:** 90  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION OPIC  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 STATE 204537, 76 ADDIS ABABA 7652, 76 ADDIS ABABA 7762  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** coburnhl  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 28 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <28 JUN 2004 by ShawDG>; APPROVED <04 NOV 2004 by coburnhl>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EXPROPRIATED U.S. PROPERTY IN ETHIOPIA  
**TAGS:** EINV, ET  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006